





DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE  
Office of Human Development Services  
Administration for Native Americans  
WASHINGTON, D.C. 20201

May 1, 1979

Dear Colleague:

On March 27, 1979, I had the opportunity to testify before the Committee on Interior and Insular Affairs of the U.S. House of Representatives in Washington, D.C. The subject under consideration by the Committee was economic development on Indian reservations.

The following is a copy of the testimony that I presented to the Committee on behalf of the Department of Health, Education, and Welfare. I hope that these statements will stimulate both discussion and interest in connection with the general matter of Native American economic and social self-sufficiency.

I look forward to sharing other information and ideas with you in the future as part of our information dissemination efforts.

Sincerely,

A handwritten signature in dark ink, appearing to read "A. David Lester". The signature is fluid and cursive, with a long horizontal stroke at the end.

A. David Lester, Commissioner  
Administration for Native Americans

MY NAME IS A. DAVID LESTER AND I SERVE AS THE COMMISSIONER OF THE ADMINISTRATION FOR NATIVE AMERICANS IN THE OFFICE OF HUMAN DEVELOPMENT SERVICES OF THE DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE. I APPRECIATE THIS OPPORTUNITY TO DISCUSS THE ACTIVITIES OF THE ADMINISTRATION FOR NATIVE AMERICANS IN THE AREA OF ECONOMIC DEVELOPMENT ON INDIAN RESERVATIONS.

THE INDIAN OF AMERICA RANKS AT THE BOTTOM OF VIRTUALLY EVERY SOCIAL STATISTICAL INDICATOR. INDIAN PEOPLE, ON THE AVERAGE, HAVE THE HIGHEST INFANT MORTALITY RATE, THE HIGHEST UNEMPLOYMENT RATE, THE LOWEST LEVEL OF EDUCATIONAL ATTAINMENT, THE LOWEST PER CAPITA INCOME AND THE POOREST HOUSING AND TRANSPORTATION IN THE NATION.

AN EXAMINATION OF CONTEMPORARY INDIAN CONDITIONS CAN BE OVERWHELMING AND NUMBING TO ONE'S NORMAL SENSITIVITY. IT IS FAR EASIER TO ROMANTICIZE INDIANS, TO RELY ON STEREOTYPES, TO FOCUS ON ARTIFACTS AND MUSEUM EXHIBITS AND THEREBY AVOID RESPONSIBILITY FOR CHANGE AND UPHOLDING THE LAWFUL AND MORAL RIGHTS OF INDIANS.

THE ALARMING SUICIDE RATE OF YOUNG INDIANS IS PERHAPS THE MOST TROUBLING REFLECTION ON THE CONDITIONS OF INDIAN LIFE. THE SUICIDE RATE FOR INDIANS .15

TO 24 YEARS OF AGE IS ALMOST 4 TIMES THAT FOR THE NATIONAL POPULATION, AND THE INDIAN SUICIDE RATE HAS BEEN INCREASING. OTHER INDICATORS OF THE QUALITY OF LIFE FOR INDIANS ARE ALSO TROUBLING: POST NEONATAL MORTALITY, TWICE AS HIGH AS ALL OTHERS; NOTIFIABLE DISEASES IN PUBLIC HEALTH SUCH AS MUMPS, TUBERCULOSIS, OTITIS MEDIA AND OTHERS, 3 TO 13 TIMES GREATER THAN THE RATE NATIONWIDE; HOUSEHOLDS LACKING PLUMBING -- 28%; AND POVERTY, NEARLY 3 TIMES GREATER THAN THE RATE FOR NON-INDIAN FAMILIES.

THERE IS AN INCLINATION IN THE UNITED STATES TO CONSIDER INDIANS SIMPLY IN TERMS OF A SMALL DISADVANTAGED MINORITY GROUP. BUT, THE CIRCUMSTANCES OF INDIANS ARE SUBSTANTIVELY DIFFERENT FROM ALL OTHER MINORITY GROUPS BECAUSE OF THE SPECIAL AND UNIQUE RELATIONSHIP OF INDIAN PEOPLE WITH THE FEDERAL GOVERNMENT. THIS SPECIAL RELATIONSHIP IS A FUNDAMENTAL CONSIDERATION IN INDIAN AFFAIRS AND INVOLVES THE SOVEREIGNTY OF INDIAN TRIBES AND THE TRUST RESPONSIBILITY OF THE U.S. GOVERNMENT TOWARD TRIBES. THE TRUST RELATIONSHIP IS NOT RACIAL IN NATURE BUT IS BASED UPON TREATIES, STATUTORY ENACTMENTS AND THE HISTORICAL PRACTICES OF THE GOVERNMENT. THE SOVEREIGNTY OF INDIAN TRIBES REFERS TO THE EXERCISE OF BASIC GOVERNMENTAL POWERS BY TRIBES WITHIN THEIR RESPECTIVE RESERVATIONS.

THE TYPES OF GOVERNMENTAL POWERS POSSESSED BY INDIAN TRIBES INCLUDE, BUT ARE NOT NECESSARILY LIMITED TO, THE FOLLOWING: THE POWER TO ESTABLISH LEGISLATURES; THE POWER TO ESTABLISH TRIBAL COURTS; THE POWER TO CONTROL COMMERCE; THE POWER TO MARRY AND GRANT DIVORCES; THE POWER TO PROVIDE FOR ADOPTIONS AND GUARDIANSHIPS; AND, THE POWER TO TAX.

THE LAWS OF THE CONGRESS IN RECENT YEARS HAVE ESTABLISHED THAT THE FEDERAL TRUST RESPONSIBILITY INCLUDES THE PROTECTION OF THE HUMAN RESOURCES OF INDIAN TRIBES. IT IS A RESPONSIBILITY THAT IS SHARED BY THE DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE. THE STATUTORY AUTHORITY FOR THE ACTIVITIES OF THE ADMINISTRATION FOR NATIVE AMERICANS FITS WITHIN THIS CONTEXT.

THE NATIVE AMERICAN PROGRAM ACT OF 1974, PUBLIC LAW 93-644, AS AMENDED BY THE ECONOMIC OPPORTUNITY AMENDMENTS OF 1978, PUBLIC LAW 95-568, AUTHORIZES THE SECRETARY OF THE DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE TO PROVIDE THE PROGRAMS THAT ARE ADMINISTERED BY THE ADMINISTRATION FOR NATIVE AMERICANS (ANA), FORMERLY THE OFFICE OF NATIVE AMERICAN PROGRAMS, THROUGH FISCAL YEAR 1981. THE PURPOSE OF THE NATIVE AMERICAN PROGRAMS IS TO "PROMOTE THE GOAL OF ECONOMIC AND SOCIAL SELF-SUFFICIENCY FOR AMERICAN INDIANS, HAWAIIAN NATIVES AND ALASKAN NATIVES" (SEC. 802).

DURING FISCAL YEAR 1979, 33 MILLION DOLLARS WAS APPROPRIATED FOR THIS PURPOSE. FUNDING FOR THE PAST FIVE YEARS HAS REMAINED ABOUT THE SAME: 32 MILLION DOLLARS IN FISCAL YEAR '75 AND 33 MILLION DOLLARS IN FISCAL YEAR '76, '77, '78 AND '79.

THE LEGISLATION SPECIFIES THREE FUNCTIONAL AREAS OF PROGRAM ACTIVITY: FINANCIAL ASSISTANCE FOR NATIVE AMERICAN PROJECTS (SEC. 803); TECHNICAL ASSISTANCE AND TRAINING (SEC. 804); AND, RESEARCH, DEMONSTRATION AND PILOT PROJECTS (SEC. 805).

ANA CURRENTLY PROVIDES GRANTS TO 121 TRIBAL AND INDIAN ORGANIZATIONS, 59 URBAN INDIAN ORGANIZATIONS, 14 NATIVE ALASKAN GROUPS AND A STATEWIDE HAWAIIAN GROUP. THE TRIBAL ORGANIZATIONS INCLUDE 27 INTER-TRIBAL GROUPS WHICH IN TURN INCLUDE 449 SMALL TRIBES. THE TOTAL NUMBER OF TRIBAL ORGANIZATIONS PARTICIPATING IN ANA'S GRANT PROGRAM IS ABOUT 523. ALL GRANTEES ARE EXPECTED TO SEEK AND OBTAIN OTHER RESOURCES TO MEET THE SOCIAL AND ECONOMIC NEEDS OF THE TRIBE. OUR RESEARCH INDICATES THAT FOR EVERY DOLLAR OF THE ANA GRANT, AN AVERAGE OF FOUR TO FIVE DOLLARS WORTH OF ADDITIONAL SERVICES ARE MOBILIZED. THE TYPES OF PROGRAMS FOR WHICH ANA GRANTS ARE USED AS A CATALYST OR LEVER INCLUDE: MANPOWER, CHILD DEVELOPMENT, NUTRITION,

HOUSING, OUTREACH, ALCOHOLISM, DAY CARE, SENIOR CITIZENS AND HEALTH. FINANCIAL AND TECHNICAL ASSISTANCE HAVE BEEN PRIMARILY DIRECTED AT THE DEVELOPMENT OF EFFECTIVE ADMINISTRATIVE STRUCTURES AT THE LOCAL LEVEL THAT ARE CAPABLE OF OBTAINING AND MANAGING A BROAD SPECTRUM OF HUMAN SERVICES PROGRAMS. THESE PROGRAM ACTIVITIES HAVE AS A FUNDAMENTAL OBJECTIVE THE IMPLEMENTATION AND TANGIBLE REALIZATION OF INDIAN SELF-DETERMINATION THAT IS EXPRESSED FEDERAL POLICY IN PUBLIC LAW 93-638.

IN ADDITION, ANA IS ACTIVELY ENGAGED WITH OTHER FEDERAL AGENCIES AS A PARTY TO 24 INTER-AGENCY AGREEMENTS TO FURTHER THE SOCIAL AND ECONOMIC SELF-SUFFICIENCY OF NATIVE AMERICANS. THESE INTER-AGENCY AGREEMENTS LINK EXISTING MECHANISMS TO MOBILIZE RESOURCES FROM A VARIETY OF SOURCES AND PROMOTE COORDINATION ACROSS PROGRAMS. THESE CROSS-CUTTING PROGRAM EFFORTS HAVE PROVEN USEFUL FROM THE STANDPOINT OF INCREASED PROGRAM EFFECTIVENESS AND IMPROVED ACCESS FOR NATIVE AMERICANS TO FEDERAL RESOURCES. AN INTER-AGENCY AGREEMENT WITH CSA (COMMUNITY SERVICES ADMINISTRATION) IN ENERGY RESOURCE DEVELOPMENT ON INDIAN RESERVATIONS IS AN EFFORT THAT CURRENTLY INVOLVES 5 TRIBES BUT SHOWS THE POTENTIAL OF SERVING AS A NATIONAL PROTOTYPE FOR THE DEVELOPMENT OF ENERGY AS WELL AS OTHER NATURAL RESOURCES OF INDIAN RESERVATIONS. THIS DEMONSTRATION MODEL, THE TRIBAL ENERGY

AND SOCIAL DEVELOPMENT OFFICES (TESDO) PROJECT IS AN EXAMPLE OF ANA'S EFFORT TO PROMOTE BALANCED DEVELOPMENT INVOLVING ECONOMIC AS WELL AS SOCIAL PROGRESS THAT I WILL DESCRIBE IN MY FOLLOWING REMARKS.

A RELATED INTER-AGENCY AGREEMENT INVOLVES ANA, CSA, BIA (BUREAU OF INDIAN AFFAIRS), DOE (DEPARTMENT OF ENERGY) AND EDA (ECONOMIC DEVELOPMENT ADMINISTRATION). IT PROVIDES ASSISTANCE TO 26 INDIAN TRIBES WITH KNOWN ENERGY RESOURCES, THE COUNCIL OF ENERGY RESOURCE TRIBES (CERT), IN ADDRESSING THEIR COMMON CONCERNS AND COLLABORATIVE EFFORTS TO IDENTIFY, PROTECT AND MANAGE THEIR TRIBAL ENERGY RESOURCES.

A RELATIVELY UNIQUE ASPECT OF ANA'S PROGRAM IS THAT IT ADDRESSES A DIVERSE TARGET POPULATION THAT INCLUDES INDIAN TRIBES, HAWAIIAN NATIVES, ALASKAN NATIVES AS WELL AS INDIANS RESIDING IN URBAN AND RURAL NON-RESERVATION AREAS.

ANOTHER SOMEWHAT DISTINGUISHING FEATURE OF THE PROGRAM IS THAT INDIAN TRIBES AND NATIVE AMERICAN AGENCIES AND ORGANIZATIONS ARE DIRECT RECIPIENTS OF ASSISTANCE. THE RELATIONSHIP OF ANA TO INDIAN TRIBES IS BEST DESCRIBED AS A GOVERNMENT TO GOVERNMENT INTERACTION. THE DIRECT FUNDING OF INDIAN TRIBES AND BEING AS RESPONSIVE AS



POSSIBLE TO THE PARTICULAR NEEDS AND INTERESTS OF TRIBAL GOVERNMENTS HAVE BEEN AND ARE GUIDING PRINCIPALS FOR ANA ACTIVITIES. FINANCIAL AND TECHNICAL ASSISTANCE HAS BEEN PROVIDED TO INDIAN TRIBES TO ENABLE THEM TO APPLY FOR, SET UP AND MANAGE HUMAN SERVICES PROGRAMS FOR THEIR MEMBERSHIP. AS LOCAL PROGRAM OPERATIONS HAVE PROGRESSED SUCCESSFULLY, SUCH AS HEAD START AND OTHER PROGRAMS HAVE SHOWN, THE EMPHASIS OF ANA HAS SHIFTED TOWARD CONSOLIDATION AND INTEGRATION OF PROGRAMS AT THE LOCAL LEVEL WITH AN EMPHASIS ON COMPREHENSIVE SOCIAL AND ECONOMIC PLANNING.

A FINAL SPECIAL ASPECT OF ANA'S PROGRAM IS THAT THE AGENCY HAS A MISSION TO PROVIDE A MEASURE OF PROGRAM FLEXIBILITY AND THE CAPACITY TO RESPOND TO CHANGING NEEDS AND TO ENGAGE OTHER FEDERAL AGENCIES IN AREAS OF OVERLAPPING PROGRAM RESPONSIBILITY. ANA IS NOT A CATEGORICAL PROGRAM AND IT IS NOT CONSTRAINED BY A NARROW PROGRAM FOCUS. ANA IS IN A KEY POSITION TO ASSIST TRIBES IN MOVING BEYOND SPECIFIC PROGRAMS AND DEVELOP THE SYSTEMS TO ELIMINATE PROGRAM FRAGMENTATION AND INTEGRATE PROGRAMS OF THE LOCAL LEVEL. INDIAN RESERVATIONS SHOULD NOT BE A WASTELAND OF UNCOORDINATED PROJECTS AND INDEPENDENT PROGRAMS. NOW THAT PROGRAMS ARE REACHING THE INDIAN RESERVATIONS, THE BIG CHALLENGE IS TO MAXIMIZE THE IMPACT OF THESE RESOURCES AT THE LOCAL LEVEL, TO

BRING THEM TOGETHER UNDER THE TRIBAL GOVERNMENT SO THAT THERE IS A STRUCTURE, EXPERTISE AND EXPERIENCE FOR LONG RANGE SUCCESS AND SELF-SUFFICIENCY.

THE PROGRAM AND POLICY INITIATIVES OF ANA ARE FRAMED AROUND THREE BASIC GOALS AIMED AT ATTAINING NATIVE AMERICAN SELF-SUFFICIENCY. THESE GOALS ARE:

1. SOCIAL DEVELOPMENT. THE DEVELOPMENT OF SOCIAL INSTITUTIONS AND NATIVE AMERICAN LEADERSHIP IN WAYS THAT ENHANCE THE CAPACITY OF NATIVE AMERICANS TO INFLUENCE THEIR SOCIAL ENVIRONMENT, AND THE SERVICES TO WHICH THEY ARE ENTITLED.
2. ECONOMIC DEVELOPMENT. THE REALIZATION OF THE FULL BENEFIT FROM NATIVE AMERICAN RESOURCES, BOTH POTENTIAL AND ACTUAL. PROGRESS IN THE AREA OF ECONOMIC DEVELOPMENT IS PERCEIVED AS CRITICAL TO ADDRESSING THE FUNDAMENTAL CAUSES OF THE ACUTE AND CHRONIC SOCIAL PROBLEMS FOUND AMONG NATIVE AMERICANS.
3. CONTINUUM OF CARE. THE ELIMINATION OF GAPS IN SERVICES AS A RESULT OF JURISDICTIONAL AMBIGUITIES, UNCLEAR AREAS OF PROGRAM RESPONSIBILITY, DISCRIMINATION, AND FRAGMENTED PROGRAM EFFORTS, IS FUNDAMENTAL TO IMPROVING THE DELIVERY OF HUMAN SERVICES.

THE AUTHORIZING LEGISLATION ADDRESSES ECONOMIC AND SOCIAL DEVELOPMENT AS A SINGULAR GOAL. ANA OPERATES ON THE PRINCIPLE THAT ECONOMIC AND SOCIAL DEVELOPMENT ARE ESSENTIALLY INTERRELATED CONCERNS IN NATIVE AMERICAN AFFAIRS. A CORRELATIVE TO THIS POSITION IS THE CONCLUSION THAT THE DRAMATIC SOCIAL PROBLEMS FOUND AMONG NATIVE AMERICANS ARE DIRECTLY RELATED TO ECONOMIC PROBLEMS AND REFLECT THE NEED FOR BOTH SOCIAL AND ECONOMIC DEVELOPMENT.

BECAUSE THE COMMITTEE IS SPECIFICALLY INTERESTED IN ECONOMIC DEVELOPMENT ON INDIAN RESERVATIONS, I WILL BRIEFLY DISCUSS THE ANA APPROACH TO ECONOMIC PROGRESS AND SOCIAL DEVELOPMENT ON INDIAN RESERVATIONS.

THE LAND AND ECONOMIC RESOURCES ON INDIAN RESERVATIONS ARE WITHIN THE JURISDICTION AND CONTROL OF INDIAN TRIBES. MOREOVER, WITHIN THE FRAMEWORK OF THE FEDERAL TRUST RESPONSIBILITY, THESE LANDS AND RESOURCES ARE FOR THE EXCLUSIVE BENEFIT OF THE INDIAN TRIBES AND THEIR MEMBERS. THE FOUNDATION FOR ECONOMIC AS WELL AS SOCIAL PROGRESS IS THE INDIAN TRIBAL GOVERNMENT. THE SOVEREIGNTY OF INDIAN TRIBES AND THEIR SPECIAL RELATIONSHIP TO THE FEDERAL

GOVERNMENT ARE UNIQUE FACTORS THAT DISTINGUISH INDIAN TRIBES FROM ALL OTHER GROUPS IN THE UNITED STATES. THE EXERCISE OF GOVERNMENTAL AUTHORITY BY INDIAN TRIBES FOR THE BENEFIT OF THEIR MEMBERS IN ECONOMIC MATTERS IS AN EMERGING AREA IN INDIAN AFFAIRS. WE VIEW INDIAN TRIBAL GOVERNMENTS AS ENDURING INSTITUTIONS THAT HAVE THE RESPONSIBILITY TO SET THE PACE AND DIRECTION OF SOCIAL AND ECONOMIC DEVELOPMENT ON INDIAN RESERVATIONS. FURTHERMORE, THE INDIAN TRIBAL GOVERNMENT HAS THE RESPONSIBILITY TO REDISTRIBUTE THE WEALTH AND BENEFITS OBTAINED FROM ECONOMIC PROGRESS TO ITS MEMBERSHIP.

INDIAN TRIBES ARE AN INTEGRAL PART OF THE SYSTEM OF GOVERNMENT ESTABLISHED IN THE UNITED STATES. THE RECOGNITION OF INDIAN TRIBES AS GOVERNMENTAL, SOCIAL AND CULTURAL ENTITIES IS THE FOUNDATION FOR LONG RANGE ECONOMIC AND SOCIAL DEVELOPMENT ON INDIAN RESERVATIONS.

THE LESSONS OF HISTORY SHOW THAT ECONOMIC DEVELOPMENT WITHOUT SOCIAL DEVELOPMENT LEADS TO EXPLOITATION. ON THE OTHER HAND, SOCIAL DEVELOPMENT WITHOUT ECONOMIC DEVELOPMENT LEADS TO DEPENDENCY. A BALANCED APPROACH THAT INCLUDES SOCIAL AS WELL AS ECONOMIC PROGRESS IS THE MOST COST-EFFICIENT MEANS TO REDUCE DEPENDENCY AND TO ENHANCE HEALTHY INSTITUTIONAL DEVELOPMENT.

IN PAST YEARS, ANA HAS PROVIDED FINANCIAL ASSISTANCE FOR THE DEVELOPMENT OF INDIAN ENTERPRISES IN A VARIETY OF AREAS INCLUDING CONSTRUCTION COMPANIES, AQUACULTURE, AGRICULTURE AND CAMP GROUNDS. ANA'S EXPERIENCE IN THESE AND OTHER ECONOMIC DEVELOPMENT PROJECTS HAS DEMONSTRATED THE NEED FOR A COMPREHENSIVE APPROACH IN ECONOMIC DEVELOPMENT THAT CONSIDERS THE IMPACT ON THE SOCIAL ENVIRONMENT AND THE HUMAN RESOURCES OF THE TRIBE, IN ADDITION TO MORE STRICTLY ECONOMIC FACTORS. TOO MANY ECONOMIC INITIATIVES HAVE FAILED DUE TO THE LACK OF A BALANCED ECONOMIC AND SOCIAL DEVELOPMENT APPROACH. THE CONSEQUENCES OF THESE FAILURES EXTEND BEYOND THE ENTERPRISE ITSELF AND OFTEN HAVE A DETRIMENTAL IMPACT ON THE VERY FABRIC OF THE INDIAN COMMUNITY.

IN THE LAST DECADE OR SO THERE HAS BEEN A RISING LEVEL OF EXPECTATION ON THE PART OF INDIANS. THERE HAS ALSO BEEN A RISING LEVEL OF ANXIETY AND SENSE OF FUTILITY. THE EXPECTATIONS HAVE NOT BEEN REALIZED. THE ANXIETY AND SENSE OF FUTILITY STEM FROM A LACK OF CONTROL OVER THEIR LIVES AND INSTITUTIONS THAT IS REFLECTED IN THE COLD STATISTICS OF SUICIDE AND ALCOHOLISM.

BECAUSE INDIAN TRIBES ARE GOVERNMENTAL ENTITIES, THEY HAVE A RESPONSIBILITY FOR CREATING AN ENVIRONMENT CONDUCTIVE TO ECONOMIC PROGRESS AND, AT THE SAME TIME, DEVELOPING INSTITUTIONS TO MEET THE SOCIAL NEEDS OF THE TRIBAL MEMBERS. THE COLLECTIVE INTERESTS OF THE TRIBE GO BEYOND THE SHORT TERM FINANCIAL GAINS OF INDIVIDUALS IN ECONOMIC DEVELOPMENT. IT INCLUDES THE PROTECTION, PRESERVATION AND REASONABLE UTILIZATION OF NATURAL RESOURCES AND THE ENVIRONMENT, AS WELL AS THE ASSURANCE THAT THERE IS ADEQUATE PROVISION FOR THE GENERAL WELL-BEING OF TRIBAL MEMBERS.

LIKE OTHER GOVERNMENTS, INDIAN TRIBES NEED THE KINDS OF INSTITUTIONAL STRUCTURES AND MECHANISMS OF CONTROL THAT WILL ENABLE THEM TO BALANCE ECONOMIC DEVELOPMENT AND SOCIAL DEVELOPMENT IN THE BEST INTERESTS OF THEIR MEMBERS. INDIAN TRIBES ARE FOCUSING INCREASED EFFORT ON DEVELOPING THE LEGAL INSTRUMENTS FOR EXERCISING THEIR AUTHORITY THROUGH: ZONING, LICENSING AND BUILDING CODES; CLEAN AIR AND AFFIRMATIVE ACTION EMPLOYMENT ORDINANCES; AND, TRIBAL STANDARDS AND LAWS IN BOTH CIVIL AND CRIMINAL MATTERS. THE ANA POLICY IN THIS REGARD IS TO: FURTHER THE TRIBAL AND INDIVIDUAL INDIAN OWNERSHIP OF ECONOMIC RESOURCES; PROMOTE THE ADVANCEMENT OF THE BENEFITS THAT FLOW FROM EFFECTIVE MANAGEMENT AND CONTROL; CREATE EMPLOYMENT, CAPITAL AND RELATED ECONOMIC AND SOCIAL OPPORTUNITIES; AND FOSTER COMPREHENSIVE PLANNING FOR ECONOMIC AND SOCIAL PROGRESS.

AN EXAMPLE OF ANA'S EFFORTS TO DEVELOP INSTITUTIONALIZED MECHANISMS AND TRANSFERABLE TECHNOLOGY IN THE AREA OF ECONOMIC DEVELOPMENT IS THE TRIBAL EMPLOYMENT RIGHTS OFFICES (TERO) PROJECT. THIS PROJECT CURRENTLY INVOLVES 12 INDIAN TRIBES, WHICH HAVE PASSED AFFIRMATIVE ACTION EMPLOYMENT ORDINANCES THAT ALONE ARE EXPECTED TO PLACE ABOUT 1,000 INDIANS IN REAL JOBS ON THE RESERVATIONS THIS YEAR. UNEMPLOYMENT ON INDIAN RESERVATIONS IS A MAJOR OBSTACLE TO ECONOMIC AND SOCIAL DEVELOPMENT AND REFLECTS SEVERAL OF THE PROBLEMS THAT HAVE GUIDED THE DIRECTION OF ANA'S POLICIES. FOR EXAMPLE, ON MANY RESERVATIONS WITH ACUTE INDIAN UNEMPLOYMENT, PRIVATE COMMERCIAL INTERESTS OPERATE PRIMARILY OR EXCLUSIVELY WITH NON-INDIAN EMPLOYEES. THIS SITUATION ALMOST ALWAYS LOCKS INDIAN RESIDENTS OUT OF THE GOOD JOBS AND BLOCKS UPWARD MOBILITY.

AS A RESULT, THE INDIAN COMMUNITY DOES NOT BENEFIT FROM THE ECONOMIC ENTERPRISES THAT ARE THRIVING ON THEIR RESOURCES AND WITHIN THE JURISDICTION OF THE INDIAN TRIBE. THE MAGNITUDE OF THE PROBLEM IS REFLECTED IN THE FACT THAT 30-70% OF INDIAN ADULTS ARE DESCRIBED AS UNEMPLOYED. THE TERO PROJECT BASICALLY REDISTRIBUTES VIABLE EMPLOYMENT OPPORTUNITIES, AND BARS EMPLOYMENT DISCRIMINATION AGAINST INDIANS IN BUSINESSES LOCATED ON RESERVATIONS. IT IS EXPECTED TO ACT AS A MAGNET FOR ADDITIONAL SECONDARY ECONOMIC DEVELOPMENT ON RESERVATIONS, AS LOCAL EMPLOYMENT

INCREASES. IF IT PROVES TO BE AS SUCCESSFUL AS ANTICIPATED, THE TERO PROJECT SHOULD SERVE AS A STEPPING STONE FOR THESE AND OTHER INDIAN TRIBAL GOVERNMENTS TO FURTHER DEVELOP THE CAPACITY TO IMPROVE RESERVATION ECONOMICS. THE TERO PROJECT IS ANOTHER ACTIVITY OF ANA THAT IS SUPPORTED BY INTER-AGENCY AGREEMENTS. FOUR FEDERAL AGENCIES ARE COOPERATING IN THIS EFFORT: ANA, BIA, EEOC (EQUAL EMPLOYMENT OPPORTUNITY COMMISSION), AND DOL (DEPARTMENT OF LABOR).

THE TRIBAL ENERGY AND SOCIAL DEVELOPMENT OFFICES (TESDO) PROJECT SUPPORTED BY ANA THROUGH AN AGREEMENT WITH CSA, IS ANOTHER PROJECT DIRECTLY RELATED TO ECONOMIC DEVELOPMENT. IT SHOWS PROMISE FOR SUCCESS AND FOR DUPLICATION ON OTHER INDIAN RESERVATIONS. THIS PROJECT, WHICH CURRENTLY INVOLVES 5 INDIAN TRIBES, IS BASED UPON THE CONCEPT THAT INDIAN TRIBAL CONTROL OF ENERGY RESOURCES ON RESERVATIONS CAN RESULT IN DIRECT BENEFITS TO THE INDIAN TRIBE AND ITS MEMBERSHIP. ITS MAJOR FOCUS IS THE PROTECTION OF ENERGY RESOURCES ON THE RESERVATION AND MANAGING THE IMPACT OF ENERGY RESOURCE DEVELOPMENT ON THE ECONOMY, THE SOCIAL ENVIRONMENT AND THE ECOLOGICAL ENVIRONMENT. IT INVOLVES RESEARCH, AND THE DEVELOPMENT OF LEGAL MECHANISMS TO CONTROL AND MANAGE THE ENERGY RESOURCES FOUND ON RESERVATIONS, AS WELL AS COORDINATING THEIR PLANNED UTILIZATION BY INDIAN TRIBES. THIS APPROACH IS CHARACTERIZED



BY COMPREHENSIVE PLANNING, AND THE EXERCISE OF THE LAWFUL AUTHORITY OF THE EXECUTIVE BRANCH OF INDIAN TRIBAL GOVERNMENTS. THE TESDO AND TERO PROJECTS ARE GOOD CANDIDATES FOR FURTHER DEVELOPMENT AND EXPANSTON TO OTHER INDIAN TRIBES.

ANOTHER VASTLY UNDERUTILIZED RESOURCE FOR ECONOMIC DEVELOPMENT ON INDIAN RESERVATIONS IS THE PRIVATE SECTOR OF THE NATIONAL ECONOMY. THE USE OF PUBLIC FUNDS TO ATTRACT OTHER SOURCES OF REVENUE -- ESPECIALLY PRIVATE CAPITAL -- IS CURRENTLY BEING PURSUED BY ANA. THE STIMULATION OF INDIAN AND NON-INDIAN CAPITAL INVESTMENTS IS SEEN AS KEY TO ECONOMIC DEVELOPMENT ON INDIAN RESERVATIONS. THE EXPERIENCE OF ANA INDICATES THAT CAPITAL FORMATION NEEDS TO PROGRESS CONCURRENTLY WITH THE DEVELOPMENT OF INSTITUTIONAL STRUCTURES FOR THE MANAGEMENT AND CONTROL OF ECONOMIC DEVELOPMENT.

AN IMPLICIT POSITION THAT RELATES TO ALL OF THE ACTIVITIES OUTLINED IS SUPPORT FOR INDIAN OWNERSHIP AND CONTROL OF ECONOMIC PROGRESS ON INDIAN RESERVATIONS. IT IS NOT SURPRISING THAT IN TERMS OF ECONOMIC DEVELOPMENT, INDIAN TRIBES HAVE A TENDENCY TO BE CAUTIOUS AND CONSERVATIVE. HISTORICALLY, THE MOST ECONOMICALLY ADVANCED TRIBES HAVE BEEN TERMINATED AND ALMOST DESTROYED. NOBODY BOTHERS A POOR TRIBE. IT IS UNLIKELY THAT TRIBES ARE GOING TO WHOLLY EMBRACE ECONOMIC DEVELOPMENT UNLESS IT IS INTRINSICALLY LINKED WITH SOCIAL DEVELOPMENT

AND SELF-DETERMINATION.

THE DEVELOPMENT OF SOCIAL AND ECONOMIC FOUNDATIONS FOR INDIAN SELF-SUFFICIENCY ON RESERVATIONS IS A TASK THAT REQUIRES SUSTAINED EFFORTS ON THE PART OF INDIAN TRIBES AND SUPPORT FROM THE FEDERAL GOVERNMENT. THE SUPPORT PROVIDED THROUGH ANA INCLUDES: THE DIRECT FUNDING OF INDIAN TRIBES AND ORGANIZATIONS; THE STABILIZATION OF EXISTING ENTERPRISES THROUGH TRAINING AND TECHNICAL ASSISTANCE; ASSISTING TRIBES TO FIND NEW WAYS OF INCREASING ECONOMIC OPPORTUNITIES AND UPWARD MOBILITY THROUGH THE TRIBAL EMPLOYMENT RIGHTS PROJECT; ASSISTING TRIBES IN THE PLANNING AND MANAGEMENT OF THE RESOURCES WITHIN THEIR OWNERSHIP AND CONTROL; ACCESSING OTHER PUBLIC AND PRIVATE RESOURCES; AND, THE ESTABLISHMENT OF TRIBAL ECONOMIC AND SOCIAL DEVELOPMENT OFFICES.

IN CLOSING MY PREPARED COMMENTS, I OFFER MY FULL COOPERATION AND SUPPORT TO THE OVERSIGHT AND REVIEW WORK OF THE COMMITTEE. I APPRECIATE THIS OPPORTUNITY TO APPEAR BEFORE YOU.